**Investment Promotion and Infrastructure Development Cell**

1550. SHRI SANJAY DALMIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether a cell, namely, 'Investment Promotion and Infrastructure Development Cell' has been set up in his Ministry;

(b) if so, the details thereof alongwith its objects;

(c) the time by which the aforesaid cell is likely to start functioning; and

(d) the likely increase in the trade as a result thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Yes, Sir. The Ministry of Industry has created an Investment Promotion and Infrastructure Development Cell in the Department of Industrial Policy & Promotion vide office order dated 15.11.96. The main objectives of creation of this Cell are: (i) to give further impetus to investment facilitation, (ii) to monitor investment approvals and (iii) to co-ordinate matters relating to infrastructure requirements for industry. The Cell has already started functioning from the date of its creation.

(d) The objective of creation of this Cell is to boost up foreign investment with a special focus on ifrastructure, which in turn would inter-alia contribute to increase in trade. It is not however possible to quantify this increase as it has become operational only recently.

**Automobile units with foreign collaboration**

1551. SHRI SANJAY DALMIA: Will the Minister of INDUSTRY be pleased to state:

(a) whether some automobile units are proposed to be set up in the country with foreign collaboration;

(b) if so, the details thereof, State-wise; and

(c) the details of the joint venture proposed in collaboration in the above units?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Yes, Sir. A number of automobile units are proposed to be set up in the country with foreign collaboration. A statement giving details of the 14 approvals granted from the year 1992 onwards for setting up such joint ventures is enclosed.

**Statement**

*Details of approvals granted from the year 1992 for setting up Joint Ventures*

| | Foreign equity parti-cipation | Project cost (Rs. in crores) | Annual capacity (Nos.) | Implementation Schedule | Location/State |
|---|---|---|---|---|---|
| 1. Birla Group of Companies (Hindustan Motors) with General Motors of USA. (OPEL Astra) | 50% | 300.00 | 25,000 | Production already launched | Halol Gujarat |
| 2. Premier Automobiles Ltd. with Peugot of France. (Peugeot 309) | 50% | 318.00 | 60,000 | -do- | Bombay Maharashtra |
| 3. TELCO with Mercedes Benz of Germany (Mercedes E220) | 51% | 75.16 | 20,000 | -do- | Pune Maharashtra |

| | Foreign equity participation | Project cost (Rs. in crores) | Annual capacity (Nos.) | Implementation Schedule | Location/State |
|---|---|---|---|---|---|
| 4. DCM with Daewoo Motor Company of Korea (Ceilo) | 74% | 653.00 | 1,60,000 | -do- | Noida, U.P. |
| 5. Mahindra & Mahindra with Ford Motor Co. of USA (Escort) | 50% | 2500.00 | 1,25,000 | -do- | Bombay Maharashtra |
| 6. Sriram Industrial Enterprises Limited with Honda Motor Company of Japan (City) | 90% | 855.00 | 30,000 | 1997-98 | Noida U.P. |
| 7. Hindustan Motors with Mitsubishi Motor Corpn. of Japan. (Lancer) | 10% | 250.00 (Ist Phase) 350.00 (IInd Phase) | 30,000 | 1997-98 | Madras Tamil Nadu |
| 8. Sipani Automobiles with M/s. Rovers Group Ltd. of UK (Montego) | 2.59% | 104.00 | 15,000 | The Company was to launch production in 1995-96 but has not done so. | Bangalore Karnataka |
| 9. Hyundai Motor Company, Korea (ACCENT) | 100% | 2450.00 | 1,00,000 | 1997-98 | Madras Tamil Nadu |
| 10. Hero Cycles Ltd. Ludhiana with BMW, Germany (BMW E 39) | 51% | 270.00 | 10,000 | -do- | U.P. (Exact Location not indicated) |
| 11. Kamal Sabre Motors Ltd. with JD Automotive Design of South Africa and Sabre Intrnational Corpn. of UDA (Sports Car) | 100% EOU | 4.50 | 720 | Not indicated | Jaipur Rajasthan |
| 12. Volvo AB, Sweden (Commercial Vehicles) Trucks | 100% | 245.00 (Ist Phase) 1050.00 (IInd Phase) | Not indicated | 1997-98 | Tamil Nadu (Exact Location not indicated) |
| 13. Maruti Udyog Limited with Suzuki Motor Co. of Japan (Esteem, Zen & OMNI Gypsy) | 50% | | 2,50,000 | (in production) | Gurgaon Haryana |
| 14. M/s. Mani Amerigon Car Co. with | | | | | |
| (a) M/s. Amerigon Incorpn. of USA | 34.25% | 32 Crores | 6000 I Yr. | Not indicated | Bangalore Karnataka |

| | Foreign equity parti-cipation | Project cost (Rs. in crores) | Annual capacity (Nos.) | Implementation Schedule | Location/State |
|---|---|---|---|---|---|
| (b) M/s. ASC Asian Equity (REVA-Electric Car) | 20% | | 80,000 V Yrs. | | |

**Majority FDIs going into Maharashtra and Gujarat**

1552. SHRI SNATAN BISI: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that sixty per cent foreign direct investment are going to the States of Maharashtra and Gujarat; and

(b) if so, details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) No, Sir. In the post policy period i.e. from August, 91 to December, 96 foreign direct investment to the tune of Rs. 95,588.65 crores has been approved. Maharashtra and Gujarat together count for Rs. 15,791.16 crores which is only about 16.51% of the total foreign direct investment approved.

**Report on Infrastrucutre**

1553. PROF. RAM KAPSE: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Committee headed by the former Economic Advisor in the Ministry of Industry has submitted any report on infrastructure;

(b) if so, the broad details of the recommendations made therein; and

(c) Government's reaction thereon?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Yes, Sir. The Ministry of Finance had constituted an Expert Group on Infrastructure headed by the former Economic Adviser in the Ministry of Industry and this Group has submitted its Report on Infrastructure to the Finance Minister on 22.6.1996. Copy of the report is already available in the Parliament Library. A variety of options available for public-private partnership can also encourage better risk sharing, accountability cost recovery and management of infrastructure. Continuing its emphasis on the development of infrastructure, several proposals to promote infrastructure have been announced in the Budget Proposals.

**Legal battle against the Cement Industry**

1554. SHRI AMAR SINGH: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Jute Industry had to opt for a legal battle against the Cement Industry on the question of compulsory use of jute bags for packaging as required under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987; and

(b) if so, the reaction of Government in regard thereto and steps taken to enforce the law in cement industry?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) Ministry of Industry is not aware of any court case filed by Jute Industry against Cement industry on the question of compulsory use of jute bags for packaging as required under the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987.

(d) Does not arise.